

Representative Ron Napoli 73rd ASSEMBLY DISTRICT

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EDUCATION COMMITTEE ENERGY & TECHNOLOGY COMMITTEE VETERANS COMMITTE

Insurance and Real Estate Committee

Support HB 7174

Senator Lesser, Representative Scanlon, Senator Kelly, Representative Pavalock-D'Amato and members of the Insurance and Real Estate Committee thank you for raising this important piece of legislation.

Protecting neighborhood pharmacies is important to all of our communities. Bunker Hill, our neighborhood pharmacy, is a wonderful example of a small business, as well as an icon of our neighborhood.

<u>Section 5</u> of this bill, which concerns the relationship between pharmacy benefit managers and pharmacists, is critical to the long-term stability of our local pharmacies like the one in my district. Pharmacy reimbursement reform is a major priority for this industry. The financial impact of clawbacks and direct and indirect reimbursement protocols alone has been enough to force independent pharmacies to close. This impact is felt not only by the owners and employees of these pharmacies, but by the thousands of people who rely on them daily.

Transparency within the pharmaceutical manufacturing industry would be increased by requiring public disclosure of agreements designed to delay introduction of generic medications into the consumer marketplace, while also establishing a drug reimportation program designed to acquire prescription drugs at lower costs. Claw back payments to pharmacies for previously dispensed prescription drugs by insurers and pharmacy benefit managers would be limited.

Thank you very much for your commitment to addressing this critical issue regarding fairness to independent pharmacies. These important initiatives are the first step in realigning the quality and efficiency of our healthcare system with that of all other advanced economies across the world. If I can be of any assistance, please don't hesitate to contact me.

Sincerely,

Ron Napoli